



PUBLIC UTILITY DISTRICT NO. 1
OF
JEFFERSON COUNTY

January 8, 2018
**Citizen Advisory Board
Meeting**

*Final
Minutes*

A meeting of the Public Utility District No. 1 of Jefferson County (PUD) Citizen Advisory (CAB) was held at 310 Four Corners Road, Port Townsend, Washington, on January 8, 2018. The meeting was convened by Chair Doug Huber at 2:30 p.m. Attending:

CABMembers:

Roger Risley
Larry Dennison (Vice Chair)
Peter Lauritzen
Norman Norton
Doug Huber (Chair)
Tim Tibbals
Russ Michel
Karen Bennett

PUDRepresentatives:

Commissioner Kenneth Collins
Don McDaniel, Consultant
Will O'Donnell, Communications Manager
Bill Graham, Resource & Conservation Manager
Cammy Brown, Recorder

AGENDA

There were the following changes or additions to the agenda:

Suggestion to move Smart meters under Next Steps.

Move the Low Income Report Recommendation up behind Craft3 presentation.

Community Solar Committee added to Next Steps or Additional Board Actions.

Russ Michel wanted to add CAB Governance to the Agenda.

MOTION: Larry Dennison made a motion and it was seconded by Russ Michel that the Agenda be approved as amended. Motion unanimously carried.

Approval of Minutes from Last Meeting:

There was a typo on Page 3 of the December 11, 2017, CAB Minutes under “Noxious Weed”, fifth line down should read “weeds” instead of “week”.

On Page 1, paragraph after list of attendees, second sentence, “Risley came into the meeting at 2:35 p.m. ...” should be “Risley came into the meeting at 2:45 p.m. ...”

Page four, under “Broadband Delivery Strategies Subcommittee Report”, second line, change “Norm Norman” to “Norm Norton”.

Chair Doug Huber stated that he will have to leave the meeting at 4:00 p.m.

MOTION: Russ Michel made a motion to approve the minutes of the Citizens’ Advisory Board meeting of December 11, 2017, as amended, seconded by Larry Dennison. Motion unanimously carried.

Chair Doug Huber mentioned at this time that there was a quorum.

Public Comments:

Voluntary introductions were made. No public comments were made at this time.

Craft3 Program: (Handout No. 1):

There was a presentation made by Desiree Sideroff, Senior Vice President and Products Manager of Craft3 and Erika Lindholm, Vice President, Senior Business Lender. This program allows for home energy loans. Craft3 used to be Shore Bank Enterprise, Cascadia and there were other names before that. They are a non-profit community development financial institution that make mission oriented loans – they are not a bank. They have a triple bottom line mission. With all of their work they aim to have an environmental and a social equity and economic benefit. They are fully licensed consumer lenders. They have been helping people replace their failing septic systems in this area for about ten years. They have many different kinds of commercial loans and they do loans for conservation and many other things.

They have been doing energy efficiency loans for quite a while in other places. They have offices across Oregon and Washington (Seattle, Spokane, Portland, Bend, Astoria and Klamath Falls and Walla Walla).

Overview of the Home Energy Efficiency Loans. After seeing a real interest in our clean water loans about 8 or so years ago they started looking into energy efficiency and the challenges that families in the amount of money it takes to do an energy efficiency upgrade. They looked at people's utility history payment as one of the proxies for how to do their credit approval.

At this point we have three utilities in various parts of Washington and four utilities in Oregon that they have been working with over time. They have delivered about 43 million dollars' worth of energy efficiency loans.

The nuances of the program are slightly different in each location but generally it is 100% financing. They do it so that people don't have to pay out-of-pocket. They can normally reach credit scores as low as 590 and then even at that they can go lower sometimes depending on their situation. In Washington their interest rates are 4.99 fixed. They are able to extend the loan terms between fifteen and twenty years and that helps to keep payments low.

The homeowners pay their loan on their utility bill. The way it works is that there is just one line on their bill that says either Craft3 Loan or Home Energy Efficiency Loan and it is the same amount every time they have a payment.

The utility does not have to do anything. Their loan process is quick. They don't require pay stubs or home appraisal or home equity. They do electronic document signing and they pay contractors directly. They can pay up to half the project up front to help them with the materials and labor so that they could do a lot of jobs at once instead of them having to front all the money. The customer is still in charge of their project so they still have to authorize all payments. It is still their money.

There were some questions from the CAB members.

Low Income Sub-Committee Report/Recommendations:

Doug Huber gave a report and went over Handout No. 2 (recommendations and issues) attached. The sub-committee came up with approximately nine issues and they recommended four of them. The others were for further study. The sub-committee, Doug Huber, Larry Dennison, Peter Lauritzen and a representative from the Board of Commissioners met with OLYCAP staff, members of St. Vincent de Paul, Habitat for Humanity, Seattle City Lights, Peninsula Housing Authority and a representative from Craft3. They evaluated the current PUD low income energy assistance program with the goal of increasing program participation. Two dollars of the electrical bill, the basic, goes towards low income. That generates \$400,000 (estimate) with only \$200,000 of it was used. That is why the subcommittee was formed. How do they find more information on the utilization of the program? The PUD has \$35.00 per month discount for low income customers who have income at or below 125% of the poverty level. The PUD has about 200 customers enrolled in that program.